



United States Senator
Richard Shelby
REPORTS TO ALABAMA



**LABOR DAY REMINDS US
WHO'S PAYING THE GOVERNMENT'S BILLS**

On Labor Day, it is fitting to stop and consider the plight of hard working Americans and the integral role they play in our economy. As a member of the United States Senate I feel it is extremely important to do everything I can to allow people to keep the fruits of their labor. Unfortunately, federal tax policy has placed a tremendous burden on workers, not to mention the businesses that hire them. One way to illustrate the magnitude of this burden is to consider that the typical worker spends nearly three hours of an eight hour workday just to pay his or her taxes. Essentially, if a person works from 9 a.m. to 5 p.m., breaking at noon for lunch, the entire workday morning is spent working for the government's benefit.

The federal income tax burden has grown this year to over 20 percent of the economy for the first time since the United States was engaged in World War II. When all federal taxes are added to those collected by state

and local governments, the burden becomes even more staggering. Earlier this year, the Senate Joint Economic Committee found that the aggregate burden equals what the average two-earner family pays in food, medical care, clothing, and housing combined. It is no wonder families are working harder and harder just to get by when, in addition to paying their bills, they have to finance the whims of bloated government bureaucracies.

Despite the crushing weight of the tax burden, workers have admirably continued to plow forward, many times picking up a second job just to make ends meet. This hard work, and the tax revenues that flow as a result, have filled the federal government's coffers with more money than what, until recently, was thought to be conceivable. In May 1996, the Congressional Budget Office (CBO) forecasted the federal budget deficit would be \$174 billion dollars this year. But

the most recent prediction by CBO is a budget surplus of \$63 billion. Even more amazing, over the next ten years the federal government is now expected to have accumulated surpluses of \$1.6 trillion.

Despite the fact that the federal budget is in surplus, few inside Washington have embraced significant tax cuts. I have always believed that the American people are better capable of making decisions about how to spend their own money as opposed to sending it to Washington to have it spent for them. Indeed, I support using the budget surplus to restore soundness to the Social Security system, but once this has been accomplished, we must provide broad-based tax relief. As we recognize this Labor Day holiday, those in Washington would do well to remember whose money it is that they spend. Now that Washington has balanced its budget, we need to begin sending more money back to America's families.

FOR RELEASE UPON RECEIPT: SEPTEMBER 3, 1998